

ADMINISTRATIVE - INTERNAL USE ONLY

Approved For Release 2004/05/13 : CIA-RDP91M00696R000200060058-6

27 January 1977

MEMORANDUM FOR: All NIOs

SUBJECT : Responses to Presidential Review Memoranda

1. In the interest of establishing some routine for the handling of PRMs, I hereby set forth what I understand about the procedures that we as a staff must adhere to when responding to PRMs.

a. The PRMs are coming into the Agency through Ben Evans' Executive Secretariat, and all dealing with substance are sent to the NI staff for action.

b. We are logging the PRMs in the front office, and Mr. Lehman is assigning the action to specific NIOs.

c. The NIOs are establishing themselves with the chairmen of the SSC and PRC groups that draft the responses to the PRMs. They serve as the focal point for tasking the Community for intelligence contributions to the PRM responses and forward these contributions to the chairmen of the SSC and PRC groups. Would you please notify Pat or me when contributions are sent forward so that we may respond to the questions we are receiving -- from the Executive Secretariat, among others -- about deadlines being met.

d. Once a PRM response has been completed, the NIO prepares a covering memorandum for the ADCI. The memorandum prepared by [redacted] to accompany the response to PRM No. 1 is attached for your information.

e. Mr. Lehman wishes to see the completed responses to PRMs and the covering memoranda before they go forward. We will log the action completed at this point.

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f. The ADCI has designated Lew Lapham as the focal point on his staff for NSC matters (see attached memo). The PRM responses and covering memoranda should, therefore, be addressed to the ADCI via Mr. Lehman and Mr. Lapham.

f. Notification to the Agency and the NI staff of NSC, SSC, and PRC meetings will come from the NSC Secretariat to [] in the DDI's Center for Policy Support, as it has in the past. [] will also notify Lapham of these meetings. If an NIO, however, learns of one of these meetings before the word is received through official channels, would you please notify Pat Taylor or me so we can pass the word along.

g. The CPS receives an information copy of a PRM at the same time the action copy is sent to the NI staff. In some cases, the CPS will be starting to organize the DDI to respond even before it is contacted by the NIO. All work performed by the DDI in response to PRMs will be forwarded independently to [] by the CPS.

2. If you think this procedure is complicated, rest secure in the knowledge that it is but a small part of the problem the Agency is having in getting organized to respond to an NSC staff that is itself not yet organized.

[]

EO/DCI/NI

Attachments
As stated

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25 January 1977

MEMORANDUM FOR: Acting, Director of Central Intelligence
INFO: D/DCI/NI
FROM:
Acting, National Intelligence Officer
for Latin America
SUBJECT: PRM/NSC-1: Panama

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1. The meeting to consider the Policy Review Memorandum (PRM) on Panama, a copy of which is attached, will be held on 27 January at 1015 hours in the White House Situation Room. It will be chaired by Secretary of State Vance.

2. The PRM discusses the current economic and strategic worth of the Canal to the US, concluding that while its commercial and strategic value is declining, it is still a major defense asset for the US in that it provides the means to shift reinforcements from the Atlantic to the Pacific Oceans rapidly and economically. Political factors prompting swift negotiation of a treaty are examined, revealing that Panamanian frustrations at extended delay could lead to violence against US installations and personnel, and endanger Torrijos' position. The paper then examines the major areas of disagreement with Panama: neutrality, treaty duration and post treaty defense arrangements, stressing the desirability of a joint US-Panama guarantee of neutrality, Panama's insistence that the treaty terminate on 31 December 1999, and Panama's refusal to accept the concept that US forces defend the Canal "in perpetuity".

3. After outlining the options available to the US to deal with these differences, the PRM defines the ways to reinstitute negotiations. These boil down to two options:



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OPTION I: Present Panama with a formal offer after interagency agreement has been reached on instructions regarding major issues. The drawback to this option is that it will delay the reopening of negotiations while interagency agreement is sought.

OPTION II: Resume negotiations promptly and informally on a "what if" basis, i.e.: If the US were to accept the year 2000 as the termination date of the treaty, what concessions is Panama prepared to make in return? This option would permit the Chief US Negotiator to work out a conceptual agreement to be initialed by both parties, possibly as early as mid-March, with a draft treaty presented to the President for final concurrence by 15 June. A formal treaty could be signed by 1 July and sent to the Senate for ratification by 1 August 1977. This option would demonstrate to the countries of Latin America and the Third World that the US is serious in its desire to negotiate a treaty in good faith.

As the above suggests, the PRM is clearly slanted in favor of OPTION II. If OPTION II is selected, the Chief US Negotiator would travel to Panama immediately, i.e., the first week in February.

4. The PRM concludes with a proposal by the State Department that an interagency committee be established to address rapidly the negotiators' requests for Executive Branch guidance. It suggests that the committee be under the chairmanship of the Under Secretary of State for Political Affairs and be composed of representatives empowered to speak for State, Defense, NSC, Secretary of the Army, Treasury, and (when appropriate) Labor, Commerce, Transportation, Justice, CIA, OMB, and the Civil Service Commission. The Defense Department believes that the existing coordinating authority available to the negotiators is sufficient, except in the most unusual circumstances. Defense suggests that a standby committee composed of representatives of the above organizations be identified early on, and called into session if needed under the chairmanship of a designated member of the NSC staff.

5. The intelligence and estimative aspects of the PRM will be found in the Precis of the NIE on Panama (Tab 3) and at the clipped annotated portions of the PRM on pages 1, 2, and 3. Note the change I conveyed to the State Department on page 1, paragraph 3.

6. For your background, the Panamanian Foreign Minister, Aquilino Boyd, is scheduled to arrive in Washington on 31 January to discuss the prospects for renewal of treaty negotiations.

7. I am available to discuss this matter with you prior to the meeting on Thursday, and can accompany you to the meeting should you desire my presence there.

[Redacted]

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Acting, National Intelligence Officer
for Latin America

Attachment:
PRM

A/NIO/LA-

[Redacted]

25 January 1977

Distribution:

- Orig. & 1 - Addressee, w/1 cy att.
1 - ER, w/o att.
1 - D/DCI/NI, w/o att.
2 - A/NIO/LA, w/1 cy att.
1 - NIO/RI, w/o att.

SECRET

21 January 1977

MEMORANDUM FOR: Deputy to the Director of Central Intelligence
for National Intelligence Officers
Deputy Director for Administration
Deputy Director for Intelligence
Deputy Director for Operations
Deputy Director for Science & Technology

SUBJECT : CIA Support of NSC

1. During the next few weeks the new NSC Staff will be organizing itself and developing its procedures and methods of operation. At the same time it will be generating requirements for briefing papers and scheduling formal NSC meetings or meetings under the umbrella of the new committees established by Presidential Directive/NSC-2. In order for the Agency to support the new NSC effectively and in a timely manner, I would like to be kept informed of requirements levied, meetings scheduled, and information concerning organizational and procedural developments of the NSC and its Staff. I also wish to review papers and briefings prepared for the NSC and its Committees.

2. For these purposes, I am designating [] as the focal point on my staff. Please alert him promptly as requirements for support or information on NSC developments are received and advise him when papers are completed.

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3. I have also tasked him to keep me informed of the status of work on continuing short and longer range requirements that I discussed with you on 8 January.

[]

E. H. Knoche

Acting Director of Central Intelligence

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cc: D/DCI/IC
A/DCI
OLC
OGC

21 January 1977

NOTE FOR: All NIOs

We are reestablishing the procedure whereby Roz will deliver to the NID staff copies of all NIEs and interagency papers for publication in the NID on the same day that the papers themselves are disseminated. If an NIO wishes the publication of a paper in the NID either held up or in advance of dissemination of the paper, he should notify of the NID staff and Roz.

Mark



19 January 1977

1. Attached, are two documents from the IC Staff. The first is a draft revision of DCID 1/2, which I suggest we ignore, no matter how exercised NSA may be over it. The revision does not, as far as I can detect, in any way inhibit us from getting on with assuming responsibility for national intelligence requirements. Indeed, the draft revision, unintelligible as it may be, has a section that seems to say that program managers in the Intelligence Community should not really pay much attention to the document.

25X1 2. The second paper is a production schedule for General [redacted] office, and we should pay attention to this one. The schedule is an agenda of policy decisions that would be made on the most vital issues concerning the Intelligence Community and its external relations. The agenda, though perhaps too comprehensive, is not all that bad; the question it raises is, first, whether one wants policies on all these issues set down on paper when some relationships might not better be left somewhat obscure. The real problem, in any case, is that we do not want a group of amateurs in the IC Staff's Office of Policy and Planning making a series of recommendations on critical policy issues to a new DCI who probably will not have the experience to know which way to decide.

25X1 3. On the assumption that fighting [redacted] on this score would not increase the chances for evil, you should at a minimum suggest to [redacted] that these OPP papers must be fully staffed out. Perhaps more effective might be a recommendation from you to the new DCI, when you have your shot at him, that he might like to reconstitute the Review Group to advise him as he works his way through the policy issues that will face him early in his administration. OPP could then serve as the Review Group's staff.

4. Beyond this particular proposal by [] one wonders if there might not be some way during this period of a change of CIA administrations to bring the IC Staff, and particularly this Policy and Planning Group, under some sort of restraint so that we are not always having to respond to half-assed suggestions about one thing or another. On the theory that a good offense is the best defense, my inclination is to urge you to suggest to the new DCI also that he should have an independent look taken at his staff for managing the Community, a staff which has grown by leaps and bounds in the past year without much supervision from the last DCI. This independent review could be conducted by an ad hoc group of senior Community managers or by an outside consulting firm. The end result might not be much different from what we have, but it might keep the IC Staff tied up during the period that will be most critical for us for the next eight years.

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